

## **Minutes of the Finance Committee**

**Wednesday, June 5, 2013**

Vice Chair Meyer called the meeting to order at 8:31 a.m.

**Present:** Supervisors Pamela Meyer, Richard Morris, Dan Draeger, Bill Zaborowski, and Cathleen Slattery. **Absent:** Pat Haukohl (Chair), and Larry Nelson.

**Also Present:** Chief of Staff Mark Mader, Principal Financial Projects Analyst Bob Ries, The *Freeman* Reporter Darryl Enriquez, Waukesha Metro Transit (WMT) Director Brian Engelking, WMT Administration Director Kari Bloedow, Public Works Business Manager Betsy Forrest, Wisconsin Coach Lines President Tom Dieckelman, Courts Senior Financial Analyst Aaron Daul, Airport Manager Kurt Stanich, Programs & Projects Analyst AJ Graff. Recorded by Mary Pedersen, County Board Office.

### **Contract Procurement Process for Banking Services**

Ries advised the contract was awarded to JP Morgan Chase Bank, the highest rated proposer, for a five-year contract. Total five-year net interest earnings are estimated at \$545,845 or \$109,169 per year. Five vendors had submitted RFPs for consideration. Draeger, a member of the evaluation committee, said he was surprised how the committee came to the same conclusion and rankings were almost identical. He noted that First Bank Financial Center of Oconomowoc, a small local bank, could be a real contender in the future due to an impressive growth trajectory. Ries agreed.

**MOTION:** Draeger moved, second by Zaborowski to approve the contract procurement process for banking services. Motion carried 5-0.

### **Annual Report on Transit Routes and Contracts with City of Waukesha**

Engelking, Bloedow and Forrest were present to give an update on the following transit routes.

**Route 1 Extension** (operated by Waukesha Metro): Engelking advised this route is paid by the Town and City of Brookfield and the City of Waukesha. Waukesha County pays for the local share of the route through state and federal funds and fare box revenues. Total rides increased from 2011 to 2012 by 4.6%. Revenue hours and miles were flat and operating expenses increased 5% for a total of \$89,249. He indicated a minimum of ten passengers for every hour of service per route is their standard. Total rides per revenue hour were 19.25. Total rides per revenue mile also increased – 1.67 in 2012 versus 1.60 in 2011. Operating investment per total ride was very low at 77 cents. Engelking said, overall, this route is performing very well.

**Route 10 Extension** (Milwaukee County Transit): Engelking advised this route begins at Bayshore Mall, runs through downtown Milwaukee, to the medical complex and down Bluemound Road. Waukesha County pays for the service from its county line to Brookfield Square and the Milwaukee County Transit System (MCTS) pays for the remaining route. Total rides increased significantly from 2011, about 2,500 rides per month in 2012. Revenue hours were relatively flat, revenue miles increased considerably, operating expenses decreased 2.5%, and operating revenues increased 18.8%. Total rides were referred to as exceptional at 38.39 per revenue hour, up almost 19%, and operating investment per ride was \$2.15 in 2012 versus \$2.85 in 2011. Engelking noted this is another good performing route with shared costs.

**Route 79 (Milwaukee County Transit):** This is the Freeway Flyer route from Menomonee Falls to downtown Milwaukee with a stop at the Watertown Plank Park and Ride lot. This route experienced a 4.7% decrease in ridership from 2011 and an additional trip had been added. Operating expenses increased 14.4%. Total rides per revenue hour decreased 12.3% - 21.05 in 2012 versus 24.01 in 2011 which is double the minimum standard. Operating investment per total ride increased \$5.91 or 31.9% although the route is still performing within acceptable ranges.

Because of the zoo interchange project, the current Park and Ride lot will eventually close. A temporary Park and Ride lot will be located at Burleigh and Highway 45. This will not be as convenient but is the only option. Staff will monitor ridership during this time which is set to begin later this year. They may decide to drop the stop temporarily. Long term, a new Park and Ride lot will be built on Watertown Plank Road near Underwood Park.

Mader asked why did ridership decrease, has the DOT come forward with a mitigation plan and are there any new grants? Engelking said they have not heard anything from the DOT except about the temporary lot. Apparently, legal action has been taken to force the DOT to look at that and long term, there will be something but not at this time. Dieckelman added that he has met with officials and the DOT is not committing to anything at this time because of State budget issues. Engelking said we should know more once the budget is passed. He does not know why ridership decreased but it could be typical ebb and flow of service and/or due to zoo interchange prep work. He said he would follow-up with the MCTS.

**Route 901/904/905 (Wisconsin Couch Lines):** Engelking said these routes run from Waukesha County to downtown Milwaukee, running primarily along I-94. Route 901 runs from downtown Waukesha to downtown Milwaukee with several stops at UW-Milwaukee. Route 904 runs from Oconomowoc, along Highway 16 and I-94 to downtown Milwaukee. Route 905 runs from the Oconomowoc/Summit area with stops in Delafield along I-94 as well. Total rides decreased 22.9% while revenue hours decreased 35.9%. At the beginning of 2012, lower performing trips were reduced or eliminated (about one-third of the service) due to a 10% cut in State transit aids. Total operating investment per total ride was \$9.33 in 2011 versus \$8.22 in 2012. Operating expenses decreased 29.9% and the overall operating investment decreased 32.1%.

**Route 901/904/905 Mitigation (Wisconsin Coachlines):** Engelking indicated this service is offered due to the repaving of I-94 and is paid 100% by the DOT. Total rides increased 41.7% over 2011, operating expenses decreased significantly – 22.5%, and the operating investment per total ride decreased 52.8% -- \$23.22 in 2012 and \$49.19 in 2011.

**Route 901 Paratransit (Transit Express):** Engelking advised there was an 8.3% increase in total rides from 2011. There was also an increase in revenue miles of 7.8%, operating expenses increased 11.5%, and operating investment increased 12.3%. Paratransit is specialized and a vast majority of users are in wheelchairs. Total rides per revenue hour increased 3.9% and the operating investment per total ride increased 3.7% due to annual contract increases. Changes have been implemented to address the fiscal concerns associated with this service. To answer Zaborowski's question, Engelking said the feds and state pay for about 56% of this service. This is an important albeit expensive service to provide. An agency fare was implemented in March which helps to reduce costs. Engelking said any Family Care agency that purchases these trips are required to pay the full cost because these agencies are not obligated to provide clients this service at the public

rate. In addition, they still provide the service within a one mile radius. The federal requirement is three-quarters of a mile. However, anything between the three-quarters mark to the one mile mark is an extra fee.

**Route 906 (Wisconsin Coach Lines):** Engelking said this is the I-43 route which stops at the Mukwonago, Big Bend, and New Berlin Park and Ride lots to downtown Milwaukee. Total rides decreased 10.2% over 2011 but service was flat which resulted in a slightly higher operating investment overall, an increase of 1.2%. Total rides per revenue hour also decreased 10.5% for a total of 24.23. Operating investment per total ride increased 12.7%. State and federal funds had accounted for about 60% of the funding but lately it's been in the mid 50s.

All routes included, operating expenses were down 18%, operating revenues decreased 9.1%, total rides per revenue hour increased almost 17.9%, and operating investment per total ride decreased 19.4%. Total system operating expenses include County Public Works Department labor allocation, Park and Ride lot maintenance, and transit administration fees. These expenses amounted to \$190,183 in 2012 and \$188,092 in 2011.

MOTION: Morris moved, second by Zaborowski to accept the annual report on transit routes and contracts with the City of Waukesha. Motion carried 5-0.

**Approve Minutes of 5-21 and 5-22**

MOTION: Draeger moved, second by Zaborowski to approve the minutes of May 21 and May 22. Motion carried 5-0.

**Schedule Next Meeting Date(s)**

- June 19 – Joint meeting at 8:30 a.m. (Room AC-155) and regular meeting tentatively scheduled for 12:45 p.m. (Room C-179). Absent: Cathleen Slattery.

**State Legislative Update**

Spaeth advised the Joint Finance Committee yesterday increased general transportation aids 4%. Mass transit is back in the transportation fund and will not be in the general fund. The open book requirement for local units of governments was pushed back to 2016. A bail bonds pilot program including Waukesha County was approved. However, judges must approve the bail bond and most of our judges are against it.

**Tour Airport/New Terminal and Taxiway Areas**

Stanich led the committee on a tour of the airport including current capital projects and the control tower.

MOTION: Draeger moved, second by Morris to adjourn at 11:05 a.m. Motion carried 5-0.

Respectfully submitted,

William J. Zaborowski  
Secretary